

SEALED

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

**INDICTMENT FOR HEALTH CARE FRAUD, AGGRAVATED IDENTITY
THEFT, FALSIFICATION OF RECORDS IN A FEDERAL INVESTIGATION, AND
FORFEITURE**

UNITED STATES OF AMERICA	*	CRIMINAL ACTION NO.
V.	*	SECTION:
SHEILA WHITE	*	18 U.S.C. § 1347
		18 U.S.C. § 1028A
	*	18 U.S.C. § 1519
		18 U.S.C. § 2
	*	18 U.S.C. § 982
	*	*
	*	*
	*	*

The Grand Jury charges that:

COUNTS ONE THROUGH FOUR

HEALTH CARE FRAUD (18 U.S.C. § 1347)

A. AT ALL TIMES MATERIAL HEREIN:

The Medicare Program

1. The Medicare Program (“Medicare”) was a federal health care program providing benefits to persons who were over the age of 65 or disabled. Medicare was administered by the United States Department of Health and Human Services (“HHS”) through its agency, the Centers for Medicare & Medicaid Services (“CMS”).

2. Medicare was a “health care benefit program,” as defined by Title 18, United States Code, Section 24(b). Individuals who qualified for Medicare benefits were referred to as Medicare “beneficiaries.” Each beneficiary was given a unique health insurance claim number (“HICN”). Physicians, clinics, and other health care providers, including licensed clinical social workers (“LCSWs”), that provided services to Medicare beneficiaries were able to apply for and obtain a “provider number.” In the provider application, the provider agreed to comply with all Medicare-related laws and regulations. A health care provider that was issued a Medicare provider number could file claims with Medicare to obtain reimbursement for services provided to Medicare beneficiaries.

Psychotherapy Services and Billing Procedures

3. “Psychology” is a specialized field for the diagnosis and treatment of mental health disorders and diseases. “Psychotherapy” is the treatment of mental illness and behavioral disturbances. In order to be reimbursable by Medicare, psychotherapy services had to be performed by persons qualified to perform such services. Psychotherapy requires that the qualified person establish contact with the patient and, through definitive therapeutic communication, attempt to alleviate emotional disturbances, to reverse or change maladaptive patterns of behavior, and to engage in personality growth and development.

4. “Part B” of the Medicare program covered certain services associated with individual and group psychotherapy services. Medicare required that documentation of such services be kept by participating providers in order to be paid.

5. Medicare Part B paid for psychotherapy services performed by a LCSW, that is, an individual who possessed a master’s degree or doctorate in social work; had performed at

least two years of clinical social work; and was licensed by the state in which they performed psychotherapy services.

6. Medicare Part B laws, regulations, and program instructions required that individual and group psychotherapy services provided by an eligible LCSW be provided by that eligible LCSW in actual face-to-face meetings with Medicare beneficiaries, in order for the services to be reimbursable. If an LCSW delegated any individual or group psychotherapy services, the service could not be billed to Medicare using that LCSW's Medicare provider number.

7. Medicare required the submission of "claims" which, among other things, included the date of the service and service provided, the name and Medicare provider number of the LCSW or other qualified medical professional who conducted the individual or group face-to-face psychotherapy with the beneficiary, and the name and HICN of the beneficiary who received the services.

Current Procedural Terminology (CPT)

8. The American Medical Association ("AMA") assigned five-digit numerical codes to medical procedures performed by health care providers. The codes were known as Current Procedural Terminology ("CPT") codes. The CPT codes, published annually by the AMA, set forth a systematic listing and coding of procedures and services performed by physicians. Medicare established a usual, customary and reasonable fee for each service rendered, as described by its corresponding CPT code.

9. CPT Code 90834 was defined as a 45 minute session of psychotherapy with the patient and or a family member. It includes an ongoing assessment and adjustment of psychotherapeutic interventions, and may include involvement of family members or others in

the treatment process. The times associated with psychotherapy are for face-to-face services with the patient and/or family member and the patient must be present for all of some of the services.

10. CPT Code 90853 was defined as group psychotherapy for other than a multiple-family group.

The LCSW

11. S.B. was a LCSW. S.B. applied for, and was issued, a Medicare provider number and was, at all relevant times, eligible to provide approved services to Medicare beneficiaries. S.B. did not, at any time, work for Brandye's House of New Orleans, LLC ("Brandye's House") or provide services through Brandye's House to Medicare beneficiaries (or any other patients).

The Defendant

12. **SHEILA WHITE**, a resident of New Orleans, Louisiana, operated and was the Executive Director of Brandye's House. Brandye's House was incorporated in or about August 2011. Brandye's House had a Medicare provider number and could submit claims to Medicare for authorized psychotherapy services provided to eligible beneficiaries. From in or about August 2011, through March 2015, Brandye's House billed Medicare approximately \$1.8 million.

B. HEALTH CARE FRAUD

13. Beginning in or around August 2011, and continuing through in or around February 2015, in the Eastern District of Louisiana and elsewhere, defendant **SHEILA WHITE**, and others known and unknown to the Grand Jury, knowingly and willfully executed and attempted to execute a scheme and artifice to defraud Medicare and to obtain, by means of false and fraudulent pretenses, representations, and promises, money owned by, and under the custody and control of, the Medicare program.

C. MANNER AND MEANS OF THE SCHEME TO DEFRAUD

14. It was part of the scheme to defraud that Brandye's House purported to operate group homes in New Orleans, Louisiana. Brandye's House also claimed to provide psychotherapy services to Medicare beneficiaries.

15. It was further part of the scheme to defraud that **SHEILA WHITE** fraudulently obtained beneficiaries' HICNs from Medicare beneficiaries who she placed in group homes owned or operated by Brandye's House and from other individuals who came into the possession of HICNs for Medicare beneficiaries.

16. It was further part of the scheme to defraud that **SHEILA WHITE** caused fraudulent claims to be submitted to Medicare for individual and group face-to-face psychotherapy services she falsely claimed were provided by S.B. to eligible beneficiaries at Brandye's House. In fact, S.B. did not work for Brandye's House and did not provide services to patients through Brandye's House. Rather, **SHEILA WHITE** obtained S.B.'s Medicare provider number and, without legal authority, used it to submit fraudulent claims to Medicare for services S.B. did not render. It was further part of the scheme to defraud that **SHEILA WHITE** also fraudulently caused claims to be submitted to Medicare for individual and group face-to-face psychotherapy services for Medicare beneficiaries who were deceased on the treatment dates set forth in the claims.

17. It was further part of the scheme to defraud that from in or about August 2011, through March 2015, **SHEILA WHITE**, as operator of Brandye's House, fraudulently billed Medicare and caused Medicare to be billed, approximately \$1.8 million for psychotherapy services she falsely claimed to have provided to eligible Medicare beneficiaries, and Medicare paid Brandye's House approximately \$756,227.

18. It was further part of the scheme to defraud that the Medicare payments were deposited into bank accounts that **SHEILA WHITE** controlled, including Chase Bank account number xxxxx9322.

D. EXECUTIONS OF THE FRAUDULENT SCHEME

19. On or about the dates set forth below, within the Eastern District of Louisiana and elsewhere, the defendant **SHEILA WHITE**, together with others known and unknown to the Grand Jury, for the purpose of executing and attempting to execute the fraudulent scheme described above, knowingly and willfully submitted and caused to be submitted to Medicare for payment the following false and fraudulent claims:

Count	Beneficiary	Claim Number	Claimed Date of Service	Claim Submission Date	Claimed Services	Amount
1	J.B.	531114077 050762	03/14/14	03/18/14	Group psychotherapy (90853)	\$50.00
2	J.B.	531114080 325850	03/17/14	03/21/14	Psychotherapy, 45 minutes (90834)	\$75.00
3	L.J.	531114093 083840	03/28/14	04/03/14	Group psychotherapy (90853)	\$50.00
4	L.J.	531114094 492530	03/31/14	04/04/14	Psychotherapy, 45 minutes (90834)	\$75.00

All in violation of Title 18, United States Code, Sections 1347 and 2.

COUNTS FIVE THROUGH EIGHT

AGGRAVATED IDENTITY THEFT (18 U.S.C. § 1028A)

A. AT ALL TIMES MATERIAL HEREIN:

20. Paragraphs 1 through 19 are incorporated by reference as if fully set forth herein.

B. THE OFFENSE

21. On or about the dates set forth below, in the Eastern District of Louisiana and elsewhere, **SHEILA WHITE**, during and in relation to a health care fraud offense in violation of Title 18, United States Code, Section 1347, as alleged in Counts One through Four herein, knowingly used or caused to be used, without lawful authority, a means of identification of another person, that is, S.B.'s name and unique Medicare provider number, to bill Medicare for the following services to the Medicare beneficiaries listed below, which S.B. did not actually provide:

Count	Beneficiary	Claim Number	Claimed Date of Service	Claim Submission Date	Claimed Services	Amount
5	J.B.	53111407 7050762	03/14/14	03/18/14	Group psychotherapy	\$50.00
6	J.B.	53111408 0325850	03/17/14	03/21/14	Psychotherapy, 45 minutes	\$75.00
7	L.J.	53111409 3083840	03/28/14	04/03/14	Group psychotherapy	\$50.00
8	L.J.	53111409 4492530	03/31/14	04/04/14	Psychotherapy, 45 minutes	\$75.00

All in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT NINE

FALSIFICATION OF RECORDS IN A FEDERAL INVESTIGATION (18 U.S.C. § 1519)

A. AT ALL TIMES MATERIAL HEREIN:

22. Paragraphs 1 through 19 are incorporated by reference as if fully set forth herein.

B. THE OFFENSE

23. In or around May 2015, in the Eastern District of Louisiana, **SHEILA WHITE** knowingly altered, destroyed, mutilated, concealed, covered up, falsified, and made false entries

in the records, documents, and tangible objects relating to the purported treatment of Medicare beneficiaries J.B. and L.J., with the intent to impede, obstruct and influence the investigation and proper administration of such matters and in relation to and contemplation of any such matter and case within the jurisdiction of a department and agency of the United States, specifically, a federal Grand Jury sitting in the Eastern District of Louisiana, and the Department of Health and Human Services, Office of the Inspector General.

All in violation of Title 18, United States Code, Sections 1519 and 2.

NOTICE OF HEALTH CARE FRAUD FORFEITURE

1. The allegations contained in Counts 1 through 4 of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures to the United States pursuant to the provisions of Title 18, United States Code, Section 982(a)(7).

2. As a result of the offenses alleged in Counts 1 through 4, defendant **SHEILA WHITE** shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(7), any and all property, real and personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense as a result of the violations of Title 18, United States Code, Section 1347, which are Federal health care offenses within the meaning of Title 18, United States Code, Section 24.

3. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred, sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be subdivided without difficulty;


it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b) to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Section 982(a)(7).


A TRUE BILL:

FOREPERSON


KENNETH A. POLITE, JR.
UNITED STATES ATTORNEY



ANTONIO M. POZOS
TRIAL ATTORNEY
CRIMINAL FRAUD SECTION
UNITED STATES DEPARTMENT OF JUSTICE
California Bar No. 254609



WILLIAM G. KANELIS
TRIAL ATTORNEY
CRIMINAL FRAUD SECTION
UNITED STATES DEPARTMENT OF JUSTICE
Virginia Bar No. 40770



PATRICE HARRIS SULLIVAN
ASSISTANT UNITED STATES ATTORNEY
Louisiana Bar No. 14987

New Orleans, Louisiana
June 5, 2015